(d) whether Government propose to initiate any steps for the development of leather industry in the State; and

(e) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) and (b) As per available information details are as under:

Subject	2003-04	2004-05	2005-06
Value of finished leather exported from Tamil Nadu (FOB value Rs. in Crore)	1549.63	1603.59	1596.70
Percentage share of Tamil Nadu in total export of finished leather from country	59%	57.22%	57.15%
Finished Leather production in Tamil Nadu (approximate in billion square feet)	0.856	0.943	1.2
Percentage share of Tamil Nadu in total finished leather produced in country	50.35%	52.38%	60.00%

(c) to (e) During the financial year 2006-07 an allocation of Rs. 43.12 Crores has been made for Tamil Nadu under 'Assistance to States for Developing Export infrastructure and Allied Activities' (ASIDE) scheme, for taking up export oriented infrastructure development projects which *inter-alia* includes infrastructure projects for leather sector also. Assistance has also been provided under Indian Leather Development Programme for setting up Leather Footwear Complex and Footwear Component Park.

Rising trade deficit

†2454. SHRI RAVI SHANKAR PRASAD:
SHRI RAJ MOHINDER SINGH MAJITHA:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that due to excessive imports as compared to exports during April to January in 2006-07 the trade deficit amount has increased, in comparison to the corresponding period in the last year;

†Original notice of the question was received in Hindi.

(b) if so, facts thereof and the extent of this increase;

(c) whether it is a fact that this increase in deficit in foreign trade is continuing for the last five years; and

(d) if so, the extent of estimated percentage increase from 2003-04 to 2006-07?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) and (b) According to the data for April-January 2006-07 imports increased by US $ 150 billion and exports by US $ 99 billion leaving a trade deficit of US $ 51 billion compared with a trade deficit of US $ 35 billion in the corresponding period of last year. The higher trade deficit during the current year is mainly on account of higher growth of imports resulting from unprecedented rise in crude oil prices and high growth of import of capital goods and raw-materials/intermediate products required to sustain rapid growth in the manufacturing sector.

(c) Yes, Sir.

(d) The details of the value of exports, imports and trade deficit from 2003-04 to 2006-07 is given below:

Year	Exports (US $ billion)	Imports (US $ billion)	Trade Deficit (US $ billion)	%age growth in Trade Deficit over Previous Year
2003-2004	63.8	78.1	-14.3	64.4
2004-2005	83.5	111.5	-28.0	95.8
2005-2006	103.1	149.2	-46.1	64.6
2005-2006 (April-January)	75.0	108.8	-33.8	-
2006-07 April-January(P)	99.1	149.7	-50.6	37.6

(P) Provisional